THE MINISTER OF FINANCE

(SHRI YASHWANT SINHA): (a) and (b) On 15th May, 1998 the All Party Forum, Darjeeling & Doars Teral submitted a Memorandum to the Finance Minister which, inter-alia, contains allegations of financial irregularities against the Darjeeling Gorkha Hill Council (DGHC).

(c) The Central Government does not release any funds directly to DGHC. Funds are released to DGHC by the State Government of West Bengal under the State Plan. However, these funds also include a part of the Special Central assistance provided to the State Government of West Bengal under the Hill Areas Development Programme. DGHC is, therefore, accountable to the State Legislature for the proper utilisation of the funds.

Forecast Regarding Rate of Inflation

4507. SHRI YERRA NARAYANASWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India forecast an inflation rate of 7.5 per cent for 1998-99;

(b) whether it is a fact that this is higher than the anticipated 5 per cent rate of inflation;

(c) the main causes of this inflationary pressure; and

(d) the steps proposed to bring down inflation to a diminishing level?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The Reserve Bank of India had hoped to maintain an annual inflation rate of 5 to 6 per cent while announcing its monetary and credit policy for the flrst half of 1998-99, The recent spurt in the growth of price has, however, pushed up the annual inflation rate to 8.1 per cent (provisional) as on 11.7.98.

(c) The main reason of up trend in prices is the sharp increase in the prices of some essential commodities such as Vegetables, fruits and edible oils.

(d) A number of policy instruments are put into effect by the Government to bring about moderation in the growth of prices. Fiscal prudence, check in money supply growth and supply side management of wage goods are the principal instruments operated by the Government to control inflationary pressures. Government has reduced duty on import of edible oil from 25% to 15% to facilitate import so as to augment domestic availability. Government as also decided to supply 1.5 lakh tonnes of imported oil through PDS. State Governments have been requested to take action against hoarders under Essential Commodities Act besides directing NAFED to intervene in the market for supplying onions and potatoes.

इंडेक्शन फनेंस और रोलिंग मिलों पर उत्पाद शुल्क

4508. **श्री रामजीलाल**: क्या यह बताने की कृपा करेंगे कि:

(**क**) क्या यह सच है कि इंडेक्शन फनेंस और रोलिंग मिलों पर अब उत्पादन शुल्क उत्पादन के आधार पर न लगाकर एक मुश्त उत्पादन शुल्क लगाया गया है ।

(ख) क्या सरकार कि इस नीति के कारण 1997-98 के दौरान उत्पाद शुल्क की कम वसूली हुई हैं और काफी फनेंस और रोलिंग मिलें बन्द हो गई है,

(**ग**) यदि हां, तो किन किन राज्यों में कितनी मिलें बंद हुई हैं और इससे सरकार को उत्पाद शुल्क के रूप में वसूल होने वाले राजस्व में कितनी कमी हुई है, और

(घ) क्या सरकार उत्पादन शुल्क संबंधी अपनी नीति पर पुनर्विचार करेगी और कब तक?

वित्त मंत्रालय में राज्य मंत्री (**श्री आर. जनार्दन**): (**क**) कुछेक विनिर्दिष्ट अमिश्रित इस्पात उत्पादों का विनिर्माण करने वाली इंडेक्शन फनेंस और हार्ट रि-रोलिंग इस्पात मिलों को उनकी वार्षिक उत्पादन क्षमता के आधार पर उत्पादन शुल्क अदा करना पड़ता है।

(**ख**) और (ग) सूचना उपलब्ध नहीं है और इसे एकत्र किया जा रहा है।